

#### **IC 4-32.2-5**

##### **Chapter 5. Conduct of Allowable Events**

#### **IC 4-32.2-5-1**

##### **Criminal gambling statutes inapplicable to allowable events**

Sec. 1. IC 35-45-5 does not apply to a person who conducts, participates in, or receives a prize in an allowable event.

*As added by P.L.91-2006, SEC.3.*

#### **IC 4-32.2-5-2**

##### **Management and conduct of events**

Sec. 2. A qualified organization may not contract or otherwise enter into an agreement with an individual, a corporation, a partnership, a limited liability company, or other association to conduct an allowable event for the benefit of the organization. A qualified organization shall use only operators and workers meeting the requirements of this chapter to manage and conduct an allowable event.

*As added by P.L.91-2006, SEC.3.*

#### **IC 4-32.2-5-3**

##### **Use and determination of net proceeds**

Sec. 3. (a) All net proceeds from an allowable event and related activities may be used only for the lawful purposes of the qualified organization.

(b) To determine the net proceeds from an allowable event, a qualified organization shall subtract the following from the gross receipts received from the allowable event:

- (1) An amount equal to the total value of the prizes, including door prizes, awarded at the allowable event.
- (2) The sum of the purchase prices paid for licensed supplies dispensed at the allowable event.
- (3) An amount equal to the qualified organization's license fees attributable to the allowable event.
- (4) An amount equal to the advertising expenses incurred by the qualified organization to promote the allowable event.

*As added by P.L.91-2006, SEC.3.*

#### **IC 4-32.2-5-4**

##### **Donation of gross charity gaming receipts**

Sec. 4. (a) A qualified organization that receives ninety percent (90%) or more of the organization's total gross receipts from any events licensed under this article is required to donate sixty percent (60%) of its gross charitable gaming receipts less prize payout to a qualified recipient that is not an affiliate, a parent, or a subsidiary organization of the qualified organization.

(b) For purposes of this section, a veterans' home is not considered to be an affiliate, a parent, or a subsidiary organization of a qualified organization that is a bona fide veterans organization.

*As added by P.L.91-2006, SEC.3.*

#### **IC 4-32.2-5-5**

##### **Financial records; deposit of funds; payment of expenses**

Sec. 5. A qualified organization shall maintain accurate records of all financial aspects of an allowable event under this article. A qualified organization shall make accurate reports of all financial aspects of an allowable event to the commission within the time established by the commission. The commission may prescribe forms for this purpose. The commission shall, by rule, require a qualified organization to deposit funds received from an allowable event in a separate and segregated account set up for that purpose. All expenses of the qualified organization with respect to an allowable event shall be paid from the separate account.

*As added by P.L.91-2006, SEC.3.*

#### **IC 4-32.2-5-6**

##### **Event limit**

Sec. 6. (a) A qualified organization may not conduct more than three (3) allowable events during a calendar week and not more than one (1) allowable event each day.

(b) Except as provided in IC 4-32.2-4-12, allowable events may not be held on more than two (2) consecutive days.

(c) A bona fide civic organization may conduct one (1) additional allowable event during each six (6) months of a calendar year.

*As added by P.L.91-2006, SEC.3.*

#### **IC 4-32.2-5-7**

##### **Charity game night limit**

Sec. 7. A qualified organization may not conduct more than four (4) charity game nights during a calendar year.

*As added by P.L.91-2006, SEC.3.*

#### **IC 4-32.2-5-8**

##### **Leasing facilities and personal property**

Sec. 8. (a) Except as provided in subsection (d), if facilities are leased for an allowable event, the rent may not:

(1) be based in whole or in part on the revenue generated from the event; or

(2) exceed two hundred dollars (\$200) per day.

(b) A facility may not be rented for more than three (3) days during a calendar week for an allowable event.

(c) If personal property is leased for an allowable event, the rent may not be based in whole or in part on the revenue generated from the event.

(d) If a qualified organization conducts an allowable event in conjunction with or at the same facility where the qualified organization or its affiliate is having a convention or other meeting of its membership, facility rent for the allowable event may exceed two hundred dollars (\$200) per day. A qualified organization may conduct only one (1) allowable event under this subsection in a calendar year.

*As added by P.L.91-2006, SEC.3.*

#### **IC 4-32.2-5-9**

##### **Restriction on events at same location**

Sec. 9. Not more than one (1) qualified organization may conduct an allowable event on the same day at the same location.

*As added by P.L.91-2006, SEC.3.*

#### **IC 4-32.2-5-10**

##### **Prohibition on felons as operators and workers; exceptions**

Sec. 10. An operator or a worker may not be a person who has been convicted of or entered a plea of nolo contendere to a felony committed in the preceding ten (10) years, regardless of the adjudication, unless the commission determines that:

- (1) the person has been pardoned or the person's civil rights have been restored; or
- (2) after the conviction or entry of the plea, the person has engaged in the kind of good citizenship that would reflect well upon the integrity of the qualified organization and the commission.

*As added by P.L.91-2006, SEC.3.*

#### **IC 4-32.2-5-11**

##### **Prohibition on commission employees and relatives as operators or workers**

Sec. 11. An employee of the commission or a relative living in the same household with the employee of the commission may not be an operator or a worker.

*As added by P.L.91-2006, SEC.3.*

#### **IC 4-32.2-5-12**

##### **Remuneration of operators and workers**

Sec. 12. (a) Except as provided in subsection (b), an operator or a worker may not receive remuneration for:

- (1) preparing for;
  - (2) conducting;
  - (3) assisting in conducting;
  - (4) cleaning up after; or
  - (5) taking any other action in connection with;
- an allowable event.

(b) A qualified organization that conducts an allowable event may:

- (1) provide meals for the operators and workers during the allowable event; and
- (2) provide recognition dinners and social events for the operators and workers;

if the value of the meals and social events does not constitute a significant inducement to participate in the conduct of the allowable event.

*As added by P.L.91-2006, SEC.3.*

#### **IC 4-32.2-5-13**

##### **Operators limited to one organization**

Sec. 13. An individual may not be an operator for more than one (1) qualified organization during a calendar month. If an individual has previously served as an operator for another qualified organization, the commission may require additional information concerning the proposed operator to satisfy the commission that the individual is a bona fide member of the qualified organization.

*As added by P.L.91-2006, SEC.3.*

#### **IC 4-32.2-5-14**

##### **Participation of operators and workers in events**

Sec. 14. An operator or a worker may not directly or indirectly participate, other than in a capacity as an operator or a worker, in an allowable event that the operator or worker is conducting.

*As added by P.L.91-2006, SEC.3.*

#### **IC 4-32.2-5-15**

##### **Operator membership requirement**

Sec. 15. An operator must be a member in good standing of the qualified organization that is conducting the allowable event for at least one (1) year at the time of the allowable event.

*As added by P.L.91-2006, SEC.3.*

#### **IC 4-32.2-5-16**

##### **Worker membership requirement; exception; shared revenues**

Sec. 16. (a) Except as provided in subsection (b), a worker must be a member in good standing of a qualified organization that is conducting an allowable event for at least thirty (30) days at the time of the allowable event.

(b) A qualified organization may allow an individual who is not a member of the qualified organization to participate in an allowable event as a worker if:

(1) the individual is a member of another qualified organization; and

(2) the individual's participation is approved by the commission.

A qualified organization may apply to the commission on a form prescribed by the commission for approval of the participation of a nonmember under this subsection. A qualified organization may share the proceeds of an allowable event with the qualified organization in which a worker participating in the allowable event under this subsection is a member. The tasks that will be performed by an individual participating in an allowable event under this subsection and the amounts shared with the individual's qualified organization must be described in the application and approved by the commission.

(c) For purposes of:

(1) the licensing requirements of this article; and

(2) section 9 of this chapter;

a qualified organization that receives a share of the proceeds of an

allowable event described in subsection (b) is not considered to be conducting an allowable event.

*As added by P.L.91-2006, SEC.3.*

#### **IC 4-32.2-5-17**

##### **Bingo event prize limits**

Sec. 17. (a) The prize for one (1) bingo game may not have a value of more than one thousand dollars (\$1,000).

(b) Except as provided in subsection (c), the total prizes permitted at one (1) bingo event may not have a value of more than six thousand dollars (\$6,000).

(c) The commission may, by express authorization, allow any qualified organization to conduct two (2) bingo events each year at which the total prizes for the bingo event may not exceed ten thousand dollars (\$10,000). Bingo events authorized under this subsection may be conducted at a festival conducted under IC 4-32.2-4-12.

(d) The proceeds of the sale of pull tabs, punchboards, and tip boards are not included in the total prize limit at a bingo event.

(e) The value of all door prizes awarded at a bingo event may not have a value of more than one thousand five hundred dollars (\$1,500).

*As added by P.L.91-2006, SEC.3.*

#### **IC 4-32.2-5-18**

##### **Raffle event prize limits**

Sec. 18. (a) The total prizes for a raffle event conducted at another allowable event may not have a value of more than five thousand dollars (\$5,000). However, the commission may, by express authorization, allow a qualified organization to conduct one (1) raffle event at another allowable event each year at which the total prizes for the raffle event may not exceed twenty-five thousand dollars (\$25,000). The sale of pull tabs, punchboards, and tip boards is not included in the total prize limit at a raffle event.

(b) The value of all door prizes awarded at a raffle event may not have a value of more than one thousand five hundred dollars (\$1,500).

(c) The prize limits set forth in subsection (a) do not apply to a raffle event that is not conducted at another allowable event.

*As added by P.L.91-2006, SEC.3.*

#### **IC 4-32.2-5-19**

##### **Door prize event prize limits**

Sec. 19. The total prizes for a door prize event may not have a value of more than five thousand dollars (\$5,000). However, the commission may, by express authorization, allow a qualified organization to conduct one (1) door prize event each year at which the total prizes for the door prize event may not exceed twenty thousand dollars (\$20,000). The proceeds of the sale of pull tabs, punchboards, and tip boards are not included in the total prize limit

at a door prize event.

*As added by P.L.91-2006, SEC.3.*

#### **IC 4-32.2-5-20**

##### **Pull tab, punchboard, and tip board prize limits; selling prices**

Sec. 20. (a) The total prizes awarded for one (1) pull tab, punchboard, or tip board game may not exceed five thousand dollars (\$5,000).

(b) A single prize awarded for one (1) winning ticket in a pull tab, punchboard, or tip board game may not exceed five hundred ninety-nine dollars (\$599).

(c) The selling price for one (1) ticket for a pull tab, punchboard, or tip board game may not exceed one dollar (\$1).

*As added by P.L.91-2006, SEC.3.*

#### **IC 4-32.2-5-21**

##### **Prohibited participants**

Sec. 21. (a) Except as provided in subsection (b), the following persons may not play or participate in any manner in an allowable event:

(1) A member or an employee of the commission.

(2) A person less than eighteen (18) years of age.

(b) A person less than eighteen (18) years of age may sell tickets or chances for a raffle.

*As added by P.L.91-2006, SEC.3.*

#### **IC 4-32.2-5-22**

##### **Employees and officers of manufacturer or distributor; membership in organizations holding charity gaming licenses**

Sec. 22. If an employee or officer of a manufacturer or distributor is a member of a bona fide civic or bona fide religious organization that holds a charity gaming license, the employee's or officer's membership in the organization may not be construed as an affiliation with the organization's charity gaming operations.

*As added by P.L.91-2006, SEC.3.*

#### **IC 4-32.2-5-23**

##### **Radio advertising**

Sec. 23. An advertisement for an allowable event in radio broadcast media must announce, within the advertisement, the name of the qualified organization conducting the allowable event and that the qualified organization's license number is on file.

*As added by P.L.91-2006, SEC.3.*